



Republic of the Philippines
 Supreme Court
 Manila

THIRD DIVISION

TRANS INDUSTRIAL
 UTILITIES, INC., SPOUSES
 RODOLFO and VICTORIA
 TIU, and JUANITA T. TIU,
Petitioners,

- versus -

METROPOLITAN BANK &
 TRUST COMPANY,
 substituted by MERIDIAN
 (SPV-AMC) CORPORATION,
Respondent.

G.R. No. 227095

Present:

LEONEN, J., *Chairperson,*
 HERNANDO,
 INTING,
 DELOS SANTOS, and
 ROSARIO,* *JJ.*

Promulgated:

January 18, 2021

MisPDC-B-11

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DECISION

INTING, J.:

Before the Court is a Petition¹ for Review under Rule 45 of the Rules of Court assailing the Decision² dated October 30, 2015 and the Resolution³ dated August 17, 2016 of the Court of Appeals (CA) in CA-G.R. CV No. No. 03923 which affirmed the Decision⁴ dated November 27, 2009 of Branch 8, Regional Trial Court (RTC), Cebu City in Civil Case No. CEB-28928.

* On official leave.

¹ *Rollo*, pp. 17-38.

² *Id.* at 47-77; penned by Associate Justice Josep Y. Lopez with Associate Justices Pamela Ann Abella Maxino and Marie Christine Azcarraga-Jacob, concurring.

³ *Id.* at 87-90; penned by Associate Justice Pamela Ann Abella Maxino with Associate Justices Fablito A. Perez and Gabriel T. Robeniol, concurring.

⁴ *Id.* at 242-256; penned by Presiding Judge Macaundas M. Hadjirasul.

The Antecedents

Trans Industrial Utilities Inc., (Trans Industrial) is a domestic corporation located at P. Burgos Street, Mandaue City, Cebu. On the other hand, Metropolitan Bank & Trust Company (Metrobank) is a universal banking institution duly organized and existing under the laws of the Philippines with principal place of business in Makati City. In the course of the trial, it was substituted by Meridian Corporation (Meridian).

By virtue of board resolutions, Trans Industrial President, Rodolfo T. Tiu (Rodolfo) applied and was granted loans by Metrobank on several occasions. As security for the loans, Trans Industrial, through its authorized officers and with the consent of Mandaue Realty and Resources Corporation, assigned its rights and title over a parcel of land covered by Transfer Certificate of Title (TCT) No. 38486.⁵ Considering that the property subject of the deed of assignment was insufficient to secure Trans Industrial's obligations, Trans Industrial, Spouses Rodolfo and Victoria N. Tiu (Spouses Tiu), and Juanita T. Tiu (collectively, petitioners) executed a Continuing Surety Agreement⁶ in favor of Metrobank to secure the loans in the amount of ₱16,343,800.00 for the Philippine Peso loan plus interest and charges. Likewise, petitioners executed another Continuing Surety Agreement⁷ dated July 3, 1998 to secure the loan in the amount of US\$626,000.00 for the US Dollar loan.⁸

Petitioners defaulted in the payment of the obligations at their respective maturity dates. Metrobank made a demand, but petitioners still failed to pay their obligations. Petitioners then requested for the restructuring of their loan obligations which Metrobank approved on the condition that petitioners will partially settle the loans. Consequently, the parties executed a Debt Settlement Agreement⁹ on September 25, 2000.¹⁰

⁵ *Id.* at 216-217.

⁶ *Id.* at 203-204; dated July 8, 1997.

⁷ *Id.* at 218-219.

⁸ *Id.* at 48-50.

⁹ *Id.* at 222-226.

¹⁰ *Id.* at 50.

In compliance with the terms and conditions of the Debt Settlement Agreement, Trans Industrial executed a Deed of *Dacion En Pago*¹¹ on September 26, 2000 over its parcel of land covered by TCT No. 45993 with all its improvements. In order to secure the restructured loan obligation, petitioners executed a continuing surety agreement on September 28, 2000. In the new surety agreement, petitioners undertook to secure and pay the loan in the amount of ₱34,565,524.98 plus interest and charges. Again, petitioners failed to pay the monthly amortizations starting November 30, 2001 to date. When petitioners failed to pay despite demand, Metrobank filed an action for collection of sum of money against petitioners.¹²

In their Amended Answer with Counterclaim¹³ dated November 17, 2003, petitioners argued: (a) that in the Board Resolution dated August 10, 1995, the authority to borrow money was only limited to ₱10,000,000.00; and in the Board Resolution dated July 24, 1996, the authority to borrow money was merely increased to ₱15,000,000.00; (b) that while in the promissory notes the loans were denominated as US Dollar loans, the loans that were given to Trans Industrial were in Philippine pesos; (c) that in the Debt Settlement Agreement dated September 25, 2000, Metrobank made it appear that what was loaned to Trans Industrial were US Dollars which it converted into Philippine pesos; (d) that the assignment of a parcel of land valued at ₱27,500,000.00 was more than sufficient to pay the loan making the continuing surety agreement null and void; (e) that the loans of Trans Industrial in excess of ₱10,000,000.00 in 1995 and ₱15,000,000.00 in 1996 were null and void for being contrary to the authority granted in the board resolutions; (f) that Trans Industrial paid the total amount of ₱6,056,466.65 as of September 7, 1998; (g) that it executed a Deed of *Dacion En Pago* of its real property on September 26, 2000; and (h) that on August 30, 2000 to October 31, 2001, it paid additional interests in the amount of ₱4,885,734.67 resulting in overpayment in the amount of ₱12,210,091.32.¹⁴

After the presentation of evidence for Metrobank, petitioners filed a Demurrer to Evidence dated April 8, 2008 and argued therein that the aggregate amount that the Trans Industrial was authorized by the Board

¹¹ *Id.* at 230-232.

¹² *Id.* at 50-51.

¹³ *Id.* at 109-111.

¹⁴ *Id.* at 109-110.

of Directors to borrow was only ₱15,000,000.00; and that the authority to borrow was limited in loans in Philippine Pesos, but the bank allowed Trans Industrial to borrow in US Dollars; hence, Rodolfo exceeded his authority in borrowing the amounts.¹⁵

On July 7, 2008, the RTC issued an Order denying petitioners' demurrer to evidence. Petitioners filed a motion for reconsideration, but the RTC denied it in an Order dated October 10, 2008.¹⁶ During the course of the trial, Metrobank was substituted by Meridian.

The Ruling of the RTC

On November 27, 2009, the RTC rendered a Decision.¹⁷ The dispositive portion of which reads:

WHEREFORE, premise considered, a judgment is hereby rendered in favor of the plaintiff, MERIDIAN (SPV-AMC) CORPORATION, and against the defendants TRANS INDUSTRIAL UTILITIES, INC., SPS. RODOLFO and VICTORIA TIU and JUANITA T. TIU, sentencing said defendants to pay solidarily, jointly and severally the plaintiff the sum of P37,985,078.49 plus 12% interest and 18% penalties per annum based on the principal obligation of P34,565,524.98, from October 1, 2002 until fully paid, and the costs.

SO ORDERED.¹⁸

Undaunted, petitioners appealed to the CA.

The Ruling of the CA

On October 30, 2015, the CA denied petitioners' appeal. It disposed of the case as follows:

WHEREFORE, the appeal is DENIED. The assailed Decision of the Regional Trial Court, Branch 8, Cebu City, dated November 27, 2009 in Civil Case No. CEB-28928 is, hereby, AFFIRMED.

¹⁵ *Id.* at 53.

¹⁶ *Id.*

¹⁷ *Id.* at 242-256.

¹⁸ *Id.* at 256.

SO ORDERED.¹⁹

The CA found that petitioners failed to deny under oath the Secretary's Certificate²⁰ confirming the Stockholders' Resolution dated July 24, 2000, and the Debt Settlement Agreement dated September 25, 2000. It held that the genuineness and due execution of the Secretary's Certificate and Debt Settlement Agreement were already deemed admitted by petitioners when they failed to deny these actionable documents under oath. It clarified that petitioners freely and voluntarily entered into the Debt Settlement Agreement and there was no evidence of any fraud on the part of Metrobank that would affect the validity of the Agreement;²¹ and that it was clear in the Debt Settlement Agreement that there was an actual and apparent agreement on the part of the parties that the US Dollar denominated loans will be converted into Philippine Pesos. As to the issue of whether the resolution passed by Board of Directors of Trans Industrial authorized only an increase of ₱15,000,000.00 and not a separate amount, the CA stressed that upon examination of the Secretary's Certificate which confirmed the board resolution, there was no indication that the amount was only an increase and would be a ceiling from the previous authorized amount of ₱10,000,000.00.²² Finally, the CA ruled that petitioners' claim of overpayment was not substantiated.²³ It noted that in the Debt Settlement Agreement, petitioners clearly acknowledged their remaining loan obligations.

Petitioners then filed a Motion for Reconsideration,²⁴ but the CA denied it in its assailed Resolution²⁵ dated August 17, 2016.

Undeterred, petitioners come before the Court raising the following grounds, to wit:

- I – The Admission As to the Genuineness and Due Execution Of The Secretary's Certificate and Debt Settlement Agreement Does Not Make Them Valid.

¹⁹ *Id.* at 76.

²⁰ *Id.* at 227-229.

²¹ *Id.* at 68-69.

²² *Id.* at 74.

²³ *Id.* at 75.

²⁴ *Id.* at 78-86.

²⁵ *Id.* at 87-90.

- II – The Court Of Appeals Erred In Not Holding That Petitioner TIUI Exceeded Its Authority Because It Was Authorized To Borrow Money In Philippine Currency, Not Dollars And That Metrobank Is Estopped From Converting The Dollar Loans Into Pesos For The Second Time At A Higher Rate Of Exchange.
- III – The Court Of Appeals Erred In Not Holding That Petitioner TIUI Has Over Paid Its Loans.
- IV – The Courts Of Appeals Erred In Holding That Petitioner TIUI'S Claim Of Overpayment Is Not Substantiated.²⁶

The basic contention of petitioners is that the resolution passed by the Board of Directors of Trans Industrial is null and void because there was no quorum at the meeting held for such purpose. Moreover, they insist that the admission as to the genuineness and due execution of a document for failure to specifically deny under oath refers only to the admission of the document as evidence and does not make the document valid. According to petitioners, because the board resolution, which supposedly authorized Rodolfo to enter into a contract of loan with Metrobank, is null and void, it follows that the Debt Settlement Agreement has no effect at all. Furthermore, petitioners argue that Rodolfo exceeded his authority in borrowing the money as his authority was only limited in contracting loans in Philippine Pesos and not in US Dollars. Lastly, petitioners claim that the value of the property which was the subject of the *dacion en pago* was more than sufficient to pay the obligations. Thus, they contend that their claim of overpayment was clearly substantiated.

In its Comment²⁷ dated March 2, 2017, respondent counters: (1) that petitioners already admitted the genuineness and due execution of the Secretary's Certificate which was the foundation of the board resolution authorizing Rodolfo to enter into contracts of loan with Metrobank and the Debt Settlement Agreement; (2) that the Debt Settlement Agreement was freely and voluntarily entered into by the parties; (3) that the Debt Settlement Agreement was an evidence that petitioners recognized their outstanding loan obligations; (4) that the loan obligations were validly contracted; (5) that the Secretary's Certificates dated July 24, 1996 and August 16, 1995 validly authorized the procurement of two separate amounts of ₱10,000,000.00 and

²⁶ *Id.* at 23-24.

²⁷ *Id.* at 127-167.

₱15,000,000.00 from Metrobank; and (6) that petitioners' claim of overpayment was not supported by evidence.

Our Ruling

The petition is without merit.

Preliminarily, the Court reiterates that in a petition for review on *certiorari* under Rule 45 of the Rules of Court, its jurisdiction is generally limited to reviewing errors of law.²⁸ Section 1, Rule 45 of the Rules of Court states that the petition filed shall raise only questions of law, which must be distinctly set forth. The Court explained the difference between a question of fact and a question of law in this fashion:

A question of law arises when there is doubt as to what the law is on a certain state of facts, while there is a question of fact when the doubt arises as to the truth or falsity of the alleged facts. For a question to be one of law, the same must not involve an examination of the probative value of the evidence presented by the litigants or any of them. The resolution of the issue must rest solely on what the law provides on the given set of circumstances. Once it is clear that the issue invites a review of the evidence presented, the question posed is one of fact.²⁹

The issues raised by petitioners are questions of fact. The determination of the genuineness and due execution of the Secretary's Certificate and the Debt Settlement Agreement, the limitations of Rodolfo's authority to contract a loan with Metrobank, and the issue on overpayment invite the Court to review the pieces of evidence presented by the parties. Clearly, petitioners are raising questions of fact and not of law. In effect, petitioners would have the Court analyze or weigh all over again the evidence presented in the lower courts in complete disregard of the well-settled rule that the jurisdiction of the Court in cases brought to it from the CA is limited to the review and revision of errors of law it allegedly committed as its findings of fact are deemed conclusive.³⁰

²⁸ See *Tambiot Security & General Services, Inc. v. Item, et al.*, 774 Phil. 312 (2015).

²⁹ *Clemente v. Court of Appeals, et al.*, 771 Phil. 113, 121 (2015), citing *Lorzano v. Tabayag, Jr.*, 681 Phil. 39, 48-49 (2012).

³⁰ *Travel & Tours Advisers, Inc. v. Cruz, et al.*, 783 Phil. 257, 264 (2016).

It is well to emphasize that the Court is not a trier of facts and does not normally undertake the reexamination of the evidence presented by the contending parties during the trial of the case.³¹ This is especially true where the trial court's factual findings are adopted and affirmed by the CA as in the present case.³² Well settled is the rule that factual findings of the trial court when affirmed by the CA are final and conclusive and may not be reviewed on appeal.³³ Where the findings of fact of the trial courts are affirmed by the CA, the same are accorded the highest degree of respect and, generally, will not be disturbed on appeal.³⁴ Indeed, it is not the function of the Court to assess and evaluate all over again the evidence, testimonial and evidentiary, adduced by the parties particularly where the findings of both the trial court and the appellate court on the matter coincide.³⁵ While it is true that there are recognized exceptions³⁶ to the general rule that only questions of law may be entertained in a Rule 45 petition, the Court finds that there is none obtaining in this case.

Still, after a judicious review of the records of the case, the Court concludes that petitioners failed to show that the lower courts committed errors in appreciating the pieces of evidence presented by the parties.

³¹ *Id.*, citing *The Insular Life Assurance Co., Ltd. v. Court of Appeals*, 472 Phil. 11, 22 (2004).

³² *Id.*, citing *Catindig v. Vda. de Meneses*, 656 Phil. 361, 370 (2011).

³³ *Id.*, citing *Spouses Pascual v. Spouses Coronel*, 554 Phil. 351, 360 (2007).

³⁴ *Land Bank of the Philippines v. Musni, et al.*, 806 Phil. 308, 322-323 (2017).

³⁵ *Republic of the Phils. v. Court of Appeals*, 402 Phil. 498, 506-507 (2001), citing *South Sea Surety & Insurance Co., Inc. v. CA*, 314 Phil. 761, 769-770 (1995).

³⁶ In the case of *The Insular Life Assurance Co., Ltd. v. Court of Appeals*, *supra* note 26 at 22-23 the following were cited as exceptions to this rule, to wit:

1. when the findings are grounded entirely on speculation, surmises or conjectures;
2. when the inference made is manifestly mistaken, absurd or impossible;
3. when there is grave abuse of discretion;
4. when the judgment is based on a misapprehension of facts;
5. when the findings of facts are conflicting;
6. when in making its findings the CA went beyond the issues of the case, or its findings are contrary to the admissions of both the appellant and the appellee;
7. when the findings are contrary to the trial court;
8. when the findings are conclusions without citation of specific evidence on which they are based;
9. when the facts set forth in the petition as well as in the petitioner's main and reply briefs are not disputed by the respondent;
10. when the findings of fact are premised on the supposed absence of evidence and contradicted by the evidence on record; and
11. when the Court of Appeals manifestly overlooked certain relevant facts not disputed by the parties, which, if properly considered, would justify a different conclusion.

First, petitioners already admitted the genuineness and due execution of the Secretary's Certificate and the Debt Settlement Agreement when they failed to specifically deny under oath their genuineness and due execution. Their argument that the stockholders resolution is null and void because of a lack of quorum has no legal basis because the Secretary's Certificate speaks otherwise. The Secretary's Certificate confirming the stockholders resolution dated July 24, 2000, and the Debt Settlement Agreement dated September 25, 2000 are actionable documents set forth by respondent against petitioners in the amended complaint. "*When an action or defense is based upon a written instrument or document, the substance of such instrument or document shall be set forth in the pleading, and the original or a copy thereof shall be attached to the pleading as an exhibit which shall be deemed to be part of the pleading, or said copy may with like effect be set forth in the pleading.*"³⁷ In order to contest an actionable document, Section 8, Rule 8 of the Rules of Court provides:

SECTION 8. *How to Contest Such Documents.* — When an action or defense is founded upon a written instrument, copied in or attached to the corresponding pleading as provided in the preceding section, the genuineness and due execution of the instrument shall be deemed admitted unless the adverse party, under oath, specifically denies them, and sets forth what he claims to be the facts; but the requirement of an oath does not apply when the adverse party does not appear to be a party to the instrument or when compliance with an order for an inspection of the original instrument is refused.

Records show that petitioners failed to specifically deny under oath the documents (Secretary's Certificate and Debt Settlement Agreement) attached in the amended complaint. As established in the proceedings below, petitioners' Amended Answer was not verified as noted in the Pre-Trial Order dated January 19, 2004. Failure to verify the pleading is tantamount to failure to specifically deny under oath the documents upon which the amended complaint was based. There is no doubt that petitioners admitted the genuineness and due execution of these documents.

³⁷ Section 7, Rule 8, RULES OF COURT.

To reiterate, the Court in the case of *Sps. Santos v. Alcazar*,³⁸ exhaustively discussed the effect of failure of the party to specifically deny under oath a certain document; thus:

More to the point is the fact that petitioners failed to deny specifically under oath the genuineness and due execution of the Acknowledgment in their Answer. *The effect of this is that the genuineness and due execution of the Acknowledgment is deemed admitted. "By the admission of the genuineness and due execution (of such document) is meant that the party whose signature it bears admits that he signed it or that it was signed by another for him with his authority; that at the time it was signed it was in words and figures exactly as set out in the pleading of the party relying upon it; that the document was delivered; and that any formal requisites required by law, such as a seal, an acknowledgment, or revenue stamp, which it lacks, are waived by him. Hence, such defenses as that the signature is a forgery x x x; or that it was unauthorized x x x; or that the party charged signed the instrument in some other capacity than that alleged in the pleading setting it out x x x; or that it was never delivered x x x, are cut off by the admission of its genuineness and due execution."*

"There is no need for proof of execution and authenticity with respect to documents the genuineness and due execution of which are admitted by the adverse party." With the consequent admission engendered by petitioners' failure to properly deny the Acknowledgment in their Answer, coupled with its proper authentication, identification and offer by the respondent, not to mention petitioners' admissions in paragraphs 4 and 6 of their Answer that they are indeed indebted to respondent, the Court believes that judgment may be had solely on the document, and there is no need to present receipts and other documents to prove the claimed indebtedness. The Acknowledgment, just as an ordinary acknowledgment receipt, is "valid and binding between the parties who executed it, as a document evidencing the loan agreement they had entered into." The absence of rebutting evidence occasioned by petitioners' waiver of their right to present evidence renders the Acknowledgment as the best evidence of the transactions between the parties and the consequential indebtedness incurred. Indeed, the effect of the admission is such that "a *prima facie* case is made for the plaintiff which dispenses with the necessity of evidence on his part and entitles him to a judgment on the pleadings unless a special defense of new matter, such as payment, is interposed by the defendant."³⁹ (Italics supplied.)

³⁸ 729 Phil. 277 (2014).

³⁹ *Id.* at 292-294.

Having failed to specifically deny under oath the genuineness and due execution of the Secretary's Certificate, and thus admitted its genuineness, due execution and authenticity, petitioners cannot successfully interpose the statement of Rosalie T. Tiu, the Corporate Secretary who signed the Secretary's Certificate, that there was no quorum when the Stockholders' Resolution dated July 24, 2000 and the Debt Settlement Agreement dated September 25, 2000 were passed and approved. Significantly, the Secretary's Certificate itself provides that the resolution was "*unanimously approved, a legal quorum being present and voting.*" The Secretary's Certificate confirmed the July 4, 2000 resolution that a meeting was held with a quorum and that the resolution was approved authorizing Trans Industrial's negotiation and request for the restructuring of the loan with Metrobank. This resulted in the execution of the Debt Settlement Agreement, the genuineness and due execution of which were likewise admitted by petitioners. Accordingly, both the lower courts correctly upheld the validity of the Secretary's Certificate and the Debt Settlement Agreement.

Second, the Debt Settlement Agreement was freely and voluntarily entered into by the parties. There was no proof of any fraud on the part of Metrobank that would affect the validity of the agreement. The Debt Settlement Agreement showed that Trans Industrial acknowledged the credit accommodations granted to it by the bank; that the obligations have become due and demandable, but the borrower and sureties requested that the bank defer the filing of legal actions and settle the obligations; that Metrobank agreed that there will be a new principal amount which will be the balance of the obligations after the waiver of the penalty charges, the adjustment of due interest rates, the conversion of the US Dollar denominated loan together with the due interest thereon to Philippine Pesos, and after partial payment of ₱22,000,000.00 by way of a *dacion en pago*, plus the necessary expenses of the *dacion en pago* advanced by the bank; and that in case of failure to pay three consecutive monthly amortizations, the bank may claim against the sureties Spouses Tiu, and Juanita T. Tiu. Notably, it can be deduced from the Debt Settlement Agreement that petitioners acknowledged the new agreement and the corresponding obligations thereon.

Petitioners themselves initiated the restructuring of the loan obligations. They were neither deceived nor forced to enter into such an agreement. Factual evidence shows that petitioners voluntarily and freely

entered into the contract after taking all the necessary corporate acts to authorize and approve the execution of the Debt Settlement Agreement. They were also aware of the contents of the documents, *i.e.*, the principal amount, interests imposed, the due dates and the conversion of US Dollar denominated loans to Philippine Pesos. In the absence of proof of fraud or any circumstances vitiating consent, the Debt Settlement Agreement shall be upheld as valid and binding upon the parties.

Petitioners likewise admitted the validity and enforceability of the loan agreements when they insisted in their Amended Answer that the Trans Industrial has paid the interest under the loans and executed the Deed of *Dacion en Pago* over the property covered by TCT No. 45993 in favor of Metrobank and their claim of overpayment of the obligations. Logically, it would be incredible for petitioners to pay the interest and claim overpayment and later on argue that the contract embodying the obligation is null and void. A claim of payment and overpayment is an admission of the existence and enforceability of the loan obligations. Hence, petitioners are estopped in belatedly claiming that it is null and void or that the stipulations thereon are different from what actually appears in the agreement itself.

Third, the Secretary's Certificates dated July 24, 1996 and August 16, 1995 validly authorized the procurement of two separate amounts of ₱10,000,000.00 and ₱15,000,000.00 from Metrobank. A careful scrutiny of the Secretary's Certificate dated July 24, 1996 shows that it confirmed the board resolution authorizing the loan in the amount of ₱15,000,000.00. There is no slight indication in the board resolution that the amount is only an increase and would be a ceiling from the previous authorized amount of ₱10,000,000.00. Petitioners failed to show that the board resolution merely increased the amount to ₱15,000,000.00. The subsequent execution of the Debt Settlement Agreement which acknowledged petitioners' loan obligations settled the issue on whether the amount of ₱15,000,000.00 was merely an increase or a separate amount. The Debt Settlement Agreement superseded all previous incidents, agreements, and terms between the parties.

Finally, petitioners failed to substantiate their claim of overpayment. There is no evidence supporting petitioners' claim that the value of the lot subject of the *dacion en pago* is ₱27,500,000.00. The Deed of *Dacion en Pago* dated September 26, 2000 clearly provides that

the parties partially settled the obligation to the extent of ₱22,000,000.00 and not ₱27,500,000.00, thus:

WHEREAS, to partially settle the OBLIGATION to the extent of P22,000,000.00, the DEBTOR offered to TRANSFER and CONVEY by way of DACION EN PAGO in favor of METROBANK, the PROPERTY with all the improvements existing thereon, which offer has been accepted by METROBANK subject to all terms and conditions mentioned [herein below],⁴⁰

It is also apparent in the Secretary's Certificate dated September 25, 2000 that the amount involved in the deed of *dacion en pago* was only to the extent of ₱22,000,000.00.⁴¹ Likewise, the Debt Settlement Agreement states:

4. In partial settlement of the OBLIGATION after waiver of the Penalty Charges, the adjustment of the rates of the past due interests, and the conversion of the US Dollar denominated loan together with the Past Due Interests thereon into Philippine Pesos, the BORROWER shall simultaneously upon signing of this Agreement cede, transfer and convey by way of DACION EN PAGO unto METROBANK the PROPERTY up to the extent of Php22,000,000.00, net of capital gains/creditable withholding, documentary stamps, transfer, EVAT and other government taxes, registration fees and other expenses necessary in the transfer of titles of the dacioned property in the name of METROBANK, which expenses shall be exclusively for the account of the BORROWER and the SURETIES and to be advanced by METROBANK;⁴²

The documents presented negate petitioners' claim of overpayment through *dacion en pago*. Evidently, the lower courts committed no error in rendering the questioned decisions. Accordingly, the Court finds no reason to disturb the findings of the CA which affirmed the ruling of the RTC.


WHEREFORE, the petition is **DENIED**. The Decision dated October 30, 2015 and the Resolution dated August 17, 2016 of the Court of Appeals in CA-G.R. CV No. 03923 are **AFFIRMED** *in toto*.

⁴⁰ *Id.* at 230.


⁴¹ *Id.* at 227.


⁴² *Id.* at 223.

SO ORDERED.


HENRI JEAN PAUL B. INTING
Associate Justice

WE CONCUR:


MARVIC M.V.F. LEONEN
Associate Justice
Chairperson



RAMON PAUL L. HERNANDO  **EDGARDO L. DELOS SANTOS**
Associate Justice *Associate Justice*

(On official leave)

RICARDO R. ROSARIO
Associate Justice

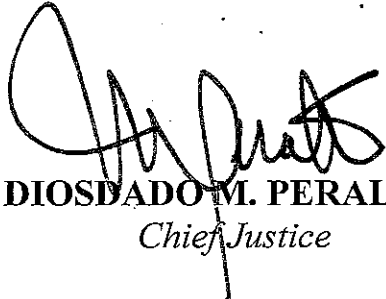
ATTESTATION

I attest that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.


MARVIC M.V.F. LEONEN
Associate Justice
Chairperson

CERTIFICATION

Pursuant to Section 13, Article VIII of the Constitution and the Division Chairperson's Attestation, I certify that the conclusions in the above Decision had been reached in consultation before the case was assigned to the writer of the opinion of the Court's Division.



DIOSDADO M. PERALTA
Chief Justice